# Office of the Communications Security Establishment Commissioner

## 2011-2012

**Report on Plans and Priorities**

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**Honourable Peter Gordon MacKay, P.C., M.P.**
**Minister of National Defence**

# Table of Contents

**MESSAGE FROM THE COMMISSIONER** ..... **1**
**SECTION I: OVERVIEW OF THE OFFICE** ..... **3**
Raison d'être and Responsibilities ..... 5
Strategic Outcome ..... 6
Planning Summary ..... 6
Contribution of Priorities to Strategic Outcome ..... 8
Risk Analysis ..... 10
Expenditure Profile ..... 11
**SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME** ..... **13**
Strategic Outcome ..... 15
Program Activity by Strategic Outcome ..... 15
**SECTION III: SUPPLEMENTARY INFORMATION** ..... **19**
Financial Highlights ..... 21
**SECTION IV: OTHER ITEMS OF INTEREST** ..... **23**
Commissioner's Office Review Program — Logic Model ..... 25
Contact Information ..... 26

## Message from the Commissioner

I am pleased to present the 2011-2012 *Report on Plans and Priorities* for the Office of the Communications Security Establishment Commissioner (the office), my first as Commissioner and the third since the office became a separate agency with its own appropriation in 2008-09.

This report details the plans and priorities of my office over the next three years. I intend to increase the capacity of my office to perform studies and reviews and in so doing will be better able to assess whether the mandated activities of Communications Security Establishment Canada's (CSEC) comply with the law and safeguard the privacy of Canadians. The review results should enable me, as Commissioner, to provide assurance to the Minister of National Defence, who is accountable for CSEC, and through him to Parliament and all Canadians, that CSEC complies with the law and protects the privacy of Canadians. Should CSEC not comply with the law, I am required by the legislation to report that to the Minister and to the Attorney General.

My office will continue to maintain a professional and effective working relationship with CSEC, a relationship that is key to the overall success of the office in the pursuit of my mandate.

My office will also continue to play a role promoting increased contact and sharing of best practices among review agencies, both nationally and internationally. As well, the office will further strengthen its management and administrative practices to improve its stewardship over its resources and comply with the financial and administrative policies and directives of the central agencies.

I look forward to leading my office in successfully meeting the challenges that lie ahead in the complex and ever-changing world of security and intelligence.

Honourable Robert Décary, Q.C.
Commissioner
February 1, 2011

# Section I: Overview of the Office

## Raison d'être and Responsibilities

### Raison d'être

The position of Communications Security Establishment Commissioner was created to review the activities of Communications Security Establishment Canada (CSEC) to determine whether it performs its duties and functions in accordance with the laws of Canada. This includes having due regard for the privacy of Canadians. The Commissioner's office exists to support the Commissioner in the effective discharge of his mandate.

### Responsibilities

The duties of the Commissioner are set out under subsections 273.63(2) and (3) and 273.65(8) of the *National Defence Act* (*NDA*):

NDA 273.63(2)

a) to review the activities of the Establishment [CSEC] to ensure that they are in compliance with the law;
b) in response to a complaint, to undertake any investigation that the Commissioner considers necessary;
c) to inform the Minister of National Defence and the Attorney General of Canada of any activity of the Establishment that the Commissioner believes may not be in compliance with the law;

NDA 273.63(3)

> ... within 90 days after the end of each fiscal year, submit an annual report to the Minister on the Commissioner's activities and findings ...;

NDA 273.65(8)

> ... review activities carried out under an [ministerial] authorization .... to ensure that they are authorized and report annually to the Minister on the review;

Additionally, under Section 15 of the *Security of Information Act*, the Commissioner is mandated:

> to receive information from persons who are permanently bound to secrecy and who seek to defend the release of classified information about Communications Security Establishment Canada on the grounds that it is in the public interest.

## Strategic Outcome

The strategic outcome of the Office of the Communications Security Establishment Commissioner is that the CSEC performs its duties and functions in accordance with the laws of Canada. This includes safeguarding the privacy of Canadians.

The office has two program activities – its review program and internal services

### Program Activity Architecture

The relationship of the program activities, the priorities and the strategic outcome is illustrated in the diagram below.

Improving the effectiveness and efficiency of the review program
Improving stewardship
Priorities of the Office of the Communications Security Establishment Commissioner
Strategic Outcome
The Communications Security Establishment Canada performs its duties and functions in accordance with the laws of Canada. This includes safeguarding the privacy of Canadians.
Program Activities of the Office of the Communications Security Establishment Commissioner
Review Program
Internal Services

## Planning Summary

### Office Resources

Financial Resources (thousands of dollars)

| 2011–12 | 2012–13 | 2013–14 |
|---|---|---|
| 2,108 | 2,108 | 2,108 |

The financial resources table above provides a summary of the total planned spending for the office for the next three fiscal years.

Human Resources

| 2011–12 | 2012–13 | 2013–14 |
|---|---|---|
| 10 | 11 | 11 |

The human resources table above provides a summary of the total planned human resources for the office for the next three fiscal years. This includes the Commissioner and 9 staff in 2011-12 and the Commissioner and 10 staff in 2012-13 and 2013-14.

**Alignment to Government of Canada Outcomes**

| **Strategic Outcome: The Communications Security Establishment Canada performs its duties and functions in accordance with the laws of Canada. This includes safeguarding the privacy of Canadians.** | | | | | | |
|---|---|---|---|---|---|---|
| **Performance Indicators** | | **Targets** | | | | |
| CSEC compliance with the laws of Canada | | CSEC complies with the law in those areas reviewed throughout the planning period | | | | |
| Extent to which the privacy of Canadians is safeguarded | | Canadian identity information is safeguarded | | | | |
| **Program Activity** | **Expected Results** | **Forecast Spending 2010-2011 (thousands of dollars)** | **Planned Spending (thousands of dollars)** | | | **Alignment to Gov't of Canada Outcomes** |
| | | | **2011 2012** | **2012 2013** | **2013 2014** | |
| Review Program | CSEC complies with the laws of Canada and safeguards the privacy of Canadians | 1,200 | 1,358 | 1,358 | 1,358 | Safe and secure Canada |
| Internal Services | Improved stewardship and compliance with central agency requirements | 500 | 750 | 750 | 750 | |
| Total Planned Spending of the office | | 1,700 | 2,108 | 2,108 | 2,108 | |

## Contribution of Priorities to Strategic Outcome

The office has a single strategic outcome that has remained constant over time. It achieves this strategic outcome through its review program, supported by the internal services activities. The review program needs to be adjusted and refined on an ongoing basis in order to meet the challenges arising from the changing environment. An effective and efficient review program will enable the Commissioner to fulfill his mandate and provide the necessary assurances to the Minister, Parliament and ultimately to all Canadians.

The priorities set out below are the specific items that the Commissioner has chosen to focus the attention and resources of the office on during the planning period in order to fulfill his mandate and the achievement of the office's strategic outcome (SO). To a large extent, the strategic direction, the priorities and plans have, over time, remained relatively constant. The focus is not so much on change but rather on doing what is being done more effectively and efficiently.

| Operational Priorities | Type | Links to Strategic Outcome | Description |
|---|---|---|---|
| Improving the effectiveness and efficiency of the review program | Ongoing | **The Communications Security Establishment Canada performs its duties and functions in accordance with the laws of Canada. This includes safeguarding the privacy of Canadians.** | The office continues to await the introduction of legislative amendments to the *National Defence Act* that will clarify ambiguities. Ultimately this will assist the Commissioner in interpreting CSEC's legislated authority and in reviewing how it is applied.<br><br>The office will continue to examine the risk assessment process for selecting and prioritizing areas and activities for review in order to increase the overall effectiveness of the review program.<br><br>The office will also continue to strive for a professional and effective working relationship with CSEC in the planning and execution of reviews, to ensure that reviews are completed in a timely manner and that any resulting recommendation are accepted and any deficiencies |

| Operational Priorities | Type | Links to Strategic Outcome | Description |
|---|---|---|---|
| | | | from negative findings are addressed.<br><br>The Commissioner plans to expand the capacity of the office to perform reviews by recruiting new employees.<br><br>In order to promote a greater appreciation and understanding of the challenges facing the security and intelligence community, the office will continue to support international and domestic conferences addressing key review, security and intelligence issues.<br><br>The Commissioner will continue to meet senior government officials to foster a greater understanding of the challenges being faced. |
| **Management Priorities** | | | |
| Improving stewardship | Previously committed to | Provides full range of support activities to the review program | Over the planning period, the office will continue to examine its financial, personnel, procurement, informatics and security practices to ensure that they meet the operational and information requirements of management in an efficient and effective manner and that they are in compliance with the legislative and policy requirements of the central agencies.<br><br>Additional office accommodation with the appropriate security fit-up must be acquired and in use in 2011- |

| Operational Priorities | Type | Links to Strategic Outcome | Description |
|---|---|---|---|
| | | | 12 in order that the existing and planned operational capacity will not be impeded by a lack of suitable space. |

## Risk Analysis

The office has the same strategic outcome and programs as the previous year. The plans and priorities have remained relatively unchanged. Despite this relative constancy, the office must address a number of issues.

The late Commissioner Gonthier noted that "the length of time that has passed without producing amended legislation puts at risk the integrity of the review process." The office continues to await the introduction of amendments to clarify ambiguities in the *National Defence Act*. Ultimately, this will assist the Commissioner in interpreting CSEC's legislated authority and in reviewing how CSEC applies its authority.

CSEC operates in a dynamic and complex environment, of rapidly evolving technologies and changing priorities and threats. In response to this, the office must have and maintain the capacity to complete meaningful, relevant, reliable and timely reviews of CSEC's activities. As a micro-agency, that is also a separate employer, it is difficult to attract individuals who possess the required knowledge of and experience in the security and intelligence community with requisite security clearances and the willingness to be employed outside the Public Service proper.

In addition to new review staff, the office continues to improve on its tools, methodology and training as a means to improve capacity and the effectiveness and efficiency of the review program.

The success of the review program (recommendations accepted and implemented) depends to a great extent on the cooperation of CSEC. The office will continue to work with CSEC, including holding annual roundtable meetings, to optimize the review process while minimizing adverse impacts on CSEC's operations. Discussions on plans, findings and recommendations of individual reviews will also continue with CSEC to ensure that reviews proceed as efficiently as possible and are completed in a timely manner.

The office is continuing to work with PWGSC to help ensure that additional secure office space is made available during 2011-12. Additional review staff cannot be engaged without additional secure office space for them to work in. The additional space will also help to optimize working conditions for the ongoing workforce in the performance of studies, reviews and internal services.

The requirements of the central agencies continue to evolve and change. As a result, efforts must continue to ensure that the financial, administrative, information, security and human resource systems meet the needs of management as well as the requirements of the central agencies.

## Expenditure Profile

### Expenditure Profile

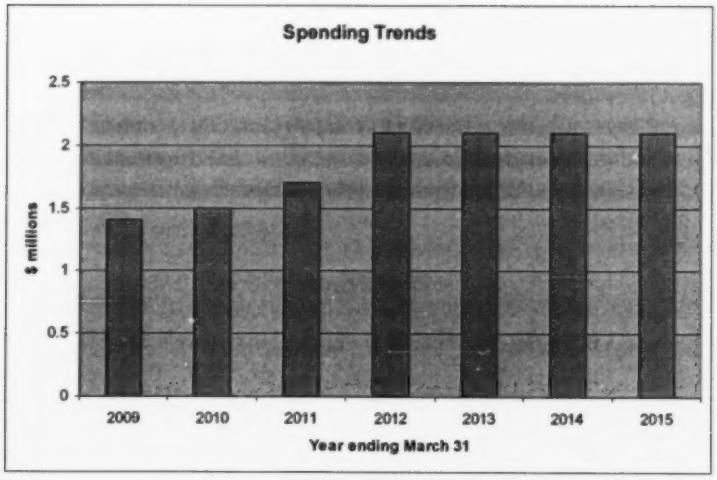
In 2008-09, the office became an agency of government and received its first appropriation of approximately $1.5 million. Expenditures for 2008-09 were $1.4 million. This level of expenditures reflects the partial costs of moving towards administrative independence and of replacing support services, previously provided by DND and the Privy Council Office, with the office's own support services.

In 2009-10, the level of funding increased to $2.1 million. The additional funding was to provide the office with sufficient funding to operate as a separate agency and at the same time expand the review program, acquire additional office space, and increase the administrative support necessary to support the expanded review program. The total spending during 2009-10 was $1.5 million. Costs related to the acquisition and set-up of additional office space and the expansion of the review program were not incurred during the 2009-10.

In 2010-11, the estimated expenditures are $1.7 million. However, delays not imputable to the office in the acquisition and set-up of additional office space, and the consequent delays to the expansion of the review program, may result in expenditures at a lower level.

The forecast spending for fiscal year 2011-12 and the planned spending for fiscal years 2012-13, 2013-14 and 2014-15 are constant at $2.1 million. This represents approximate "full capacity" spending for the review program and for internal services. It should be noted that the Commissioner's mandate also includes undertaking any investigation deemed necessary in response to a complaint. However, if a complaint is received which requires an investigation and formal hearing, it is quite likely that additional funding would have to be requested. The Commissioner also has a duty under the *Security of Information Act* to receive information from persons who are permanently bound to secrecy and seek to defend the release of classified information about CSEC on the grounds that it is in the public interest. No such matters were reported in the past three fiscal years.

**Departmental Spending Trend**




The spending trend graph above shows the actual expenditures for the years ending March 31, for 2009 and 2010, the forecast spending for 2011 and the planned spending for 2012 through to 2015.

## Estimates by Vote

For information on our organizational votes and/or statutory expenditures, please see the 2011–12 Main Estimates publication. An electronic version of the Main Estimates is available at http://www.tbs-sct.gc.ca/est-pre/2011-2012/me-bpd/toc-tdm-eng.asp.

# Section II: Analysis of Program Activities by Strategic Outcome

## Strategic Outcome

**The strategic outcome of the Office is that the Communications Security Establishment Canada performs its duties and functions in accordance with the laws of Canada. This includes safeguarding the privacy of Canadians.**

The following section describes the office's program activities and identifies the expected results, performance indicators and targets for each of them. This section also explains how the office plans on meeting the expected results and presents the financial and non-financial resources that will be dedicated to each program activity.
This section will contain a discussion of the office's two Program Activities:

- Review Program
- Internal Services

Additional information on the office's operations, methodology and results can be found on the Commissioner's website (www.ocsec-bccst.gc.ca).

## Program Activity by Strategic Outcome

### Program Activity: Review Program

The review program includes research, monitoring, planning, the conduct of reviews and the reporting of results. In addition, it also includes consultations and communications with CSEC officials, with other government officials, and senior representatives of the security and intelligence community.

| **Program Activity : Review Program** | | | | | |
|---|---|---|---|---|---|
| **Human Resources and Planned Spending ($ thousands)** | | | | | |
| **2011–12** | | **2012–13** | | **2013–14** | |
| | **Planned Spending** | | **Planned Spending** | | **Planned Spending** |
| 8 | 1,358 | 9 | 1,358 | 9 | 1,358 |

| **Program Activity Expected Results** | **Performance Indicators** | **Targets** |
|---|---|---|
| Reviews are completed within targeted time frames as established by the Commissioner | % of reviews completed within targeted time frames | 80% |
| Recommendations resulting from the reviews conducted are accepted and implemented | % of recommendations implemented | 80% |
| Negative findings addressed | % of negative findings addressed | 80% |

## Planning Highlights

In order to achieve the expected result, the office plans to undertake the following activities:

- The Commissioner remains prepared to speak to amendments to the *National Defence Act* when they are introduced.
- The office will strengthen its review process by:
  - continuing to examine the risk assessment process for selecting and prioritizing areas and activities for review;
  - updating and revising its operational policies and practices to improve the quality of its review process in order to ensure that its findings and recommendations are accurate, fair, complete and supportable;
  - updating its performance measurement framework and refine its performance targets to ensure that the quality of performance can be measured and, where appropriate, adjusted as required;
  - expanding the capacity of the review process by adding an additional full-time review employee.
- A pre-requisite to the effectiveness of the office's review process and the successful discharge of its mandate is a professional, tough but fair relationship with CSEC. Briefings, presentations, training, information sessions, roundtables will be continued between the two organizations.
- In early 2011-12, meetings and preparations will begin in earnest for the next International Intelligence Review Agencies Conference (IIRAC), which Canada is hosting in the spring of 2012. The office will be contributing substantially to the conference which is a major forum for the discussion of issues of mutual interest and concern, and the sharing of best practices in review methodologies.

## Benefits for Canadians

The office's review program activity supports the Commissioner in his ability to provide assurance to the Minister and through him to Parliament and to all Canadians that the activities undertaken by CSEC are in compliance with the law and that the privacy of Canadians has been safeguarded. If not CSEC does not comply with the law, the Commissioner is required by legislation to inform the Minister and the Attorney General.

## Program Activity: Internal Services

Internal Services are those operations and resources that support the needs of the office's review program and respond to the requirements of the central agencies. These operations include administration, human resources, finance, security, information management, and information technology.

| Program Activity: Internal Services | | | | | |
|---|---|---|---|---|---|
| Human Resources and Planned Spending ($ thousands) | | | | | |
| 2011–12 | | 2012–13 | | 2013–14 | |
| | Planned Spending | | Planned Spending | | Planned Spending |
| 2 | 750 | 2 | 750 | 2 | 750 |

## Planning Highlights

The office is a micro agency, with 9 staff and a budget of slightly in excess of $2 million. With only 2 staff devoted to internal services, several of the corporate services that are not required on a full-time basis are outsourced. These corporate services include human resources, security, and informatics. It is important that the office maintains a management framework that ensures that all the internal services are effectively provided to the Commissioner and to the review program.

Beyond providing effective and internal services to the Office's management, the Office must comply with the central agency policies and directives. This includes, in addition to the ongoing requirements, the new directives on expenditure initiation and commitment control, on delegation of financial authorities for disbursements, the new policy on internal control, and the new requirements for quarterly reporting and for future-oriented financial statements. These responsibilities require the Office to recruit, retain and train corporate staff to provide a wide scope of duties and responsibilities in order that internal services are provided in a timely and cost effective manner.

In order to meet and keep up with the ever changing internal services environment, the office plans to undertake the following activities:

- define more clearly roles and responsibilities for all internal services;
- provide for training programs for staff to ensure that all internal services can be delivered effectively, efficiently and in compliance with the requirements of the central agencies;
- create and/or update administrative policies and procedures;
- establish a performance measurement framework to adequately address the delivery of internal services;
- work closely with PWGSC to ensure that additional office space and fit-up is completed during 2011-12.

# Section III: Supplementary Information

## Financial Highlights

Additional information on the office's Future-oriented Statement of Operations can be found on the web site of the Office of the Communications Security Establishment Commissioner:

http://www.ocsec-bccst.gc.ca/finance/2011-2012/rpp_e.php

**Future-oriented Condensed Statement of Operations**

For the Year Ended March 31

**($ thousands)**

| | % change | Future-oriented 2011–12 | Future-oriented 2010–11 |
|---|---|---|---|
| Expenses | | | |
| Total Expenses | | 2,108 | N/A |
| **Cost of Operations** | | 2,108 | N/A |